## **SENATE BILL 3646**

## By Ketron

AN ACT to amend Tennessee Code Annotated, Title 69, relative to the Green Designs Reward Act.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 69, Chapter 3, Part 1, is amended by adding the following language as a new, appropriately designated section:

§ 69-3-140

- (a) Applications for individual construction or aquatic resource alteration permits that include LEED certification or other elements for protection of water resources shall receive an expedited permit processing, fee waivers or tax incentives as follows:
  - (1) Permit applications that demonstrate that the plan leaves water resources in place along with the natural grading and vegetation and earn two (2) points shall receive expedited processing;
  - (2) Projects that leave water resources in place along with the natural grading and vegetation and earn five (5) points shall receive expedited processing and may apply for a waiver of the permit processing fees;
  - (3) Projects that leave water resources in place, earn five (5) points, and return a water resource to a historical condition from culvert or channel on or contiguous to the site, may apply for a waiver of the permit processing fees, shall receive expedited processing, and may subtract up to fifty thousand dollars (\$50,000) of the expenses for the improvement project from taxable revenue or income for purposes of calculating excise taxes due the state. The improvement project must be detailed in the application. Each application must include a time table and monitoring schedule that will become part of the permit requirements to ensure viability of the resource improvement; or

- (4) Bank stabilization projects that employ geotextiles, coir logs, or native plants rather than rip rap may apply for a fee waiver.
  - (b) To earn points an applicant may:
    - (1) Preserve fifty foot (50 ft.) buffer zones for streams;
- (2) Reestablish riparian vegetation within fifty foot (50 ft.) foot stream buffer zones to be left in a natural state:
  - (3) Preserve one-hundred 100 foot (100 ft.) buffer zones for wetlands;
  - (4) Require minimal grading and fill;
- (5) Provide postconstruction stormwater runoff volume and outfall equivalent to preconstruction;
- (6) Establish or continue a greenway through the property that provides habitat to native species;
- (7) Use pervious pavement/concrete for at least twenty percent (20%) of the necessary ground surface coverings;
- (8) Preserve or plant native grasses as a filter for nutrients and sediment on site;
  - (9) Onsite stormwater treatment to meet thirty percent (30%) TSS in effluent and increase dissolved oxygen to sixty milligrams per liter (60 mg/L); and
    - (10) Reestablish flood plain or wetland previously disturbed.
- (c) The intended purpose of any application for general permit coverage or individual construction or aquatic resource alteration permits shall not be interpreted to mean the exact plan, configuration or number of units proposed but the generic and common interpretation of the project (i.e. housing or light industry).
- (d) All preserved or improved areas shall be recorded in the deed of each property as a conservation easement in perpetuity. All permits include this requirement

- 2 - 01262172

explicitly and failure to show proof of the easement record within three (3) months of the application issuance shall be a violation of the permit.

- (e) The department shall respond to requests from working farms for stream determinations within two (2) weeks or three (3) days for weather related, time-sensitive requests.
- (f) Bank stabilizations with riparian vegetation, establishment of or additions to a habitat greenway, permanent buffers established to eliminate excess nutrients in runoff or other activity recorded as a permanent conservation easement on working agricultural land shall be eligible for the tax incentive. The expenses write off can be staggered over no more than five (5) years.
- (g) Applications proposing to develop in flood plains, on wetlands or over streams (but for ingress and egress) are ineligible for these incentives.
- (h) Applications proposing to develop previously undeveloped farmland or habitat for endangered or sensitive species shall lose one (1) point for each development.
- (i) Expenditures shall not include funds from any government program. In case of a government funded project, the tax incentive is limited to the matching funds provided by the applicant. Any project element used to qualify for another state tax incentive or grant program shall be ineligible for this incentive.
- (j) The department shall issue yearly awards for the most outstanding applicant in four (4) categories. Awards shall be issued based on innovation, scope and environmental benefit of the projects nominated by staff, the regulated community or the general public. Awards shall be issued for the best individual agricultural project, the best individual residential project, the best individual industrial project and an overall outstanding applicant based on the number and quality of issued green building permits

- 3 - 01262172

demonstrating a commitment to conservation. Nominations shall be accepted year round. No award need be issued if there are no nominations or the nominees are deemed ineligible due to nonperformance or permit violations in conflict with the spirit of the awards.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect July 1, 2008, the public welfare requiring it.

- 4 - 01262172